

THE DEPTFORD RAGGED TRUST  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

Cansdales Audit LLP  
Chartered Accountants & Statutory Auditors  
Bourbon Court  
Nightingales Corner  
Little Chalfont Bucks  
HP7 9QS

# THE DEPTFORD RAGGED TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Hugh Stickland (Chairman) Charlie Parker Darryl Veltman Rachel Thomas Daniel Alston Sheree Urquhart
Charity number	1177319
Registered office	The Bear Church Shaftesbury Christian Centre Frankham Street London SE8 4RN
Auditor	Cansdales Audit LLP Chartered Accountants & Statutory Auditors Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
Bankers	HSBC Bank 85 Lewisham High Street Lewisham London SE13 6BE
Solicitors	Simon Barrett BWH Legal Ashbrook House Westbrook Street Blewbury Oxfordshire OX11 9QA

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# THE DEPTFORD RAGGED TRUST

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# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) " (effective 01 January 2019).

### **Objectives and activities**

The Charity was set up as a Charitable Incorporated Organisation (CIO) on 26th February 2018 in order to carry on the work and vision of Deep Trust (1050844) and The Shaftesbury Christian Centre Deptford (1052105), previously known as The Deptford Ragged School.

The Deptford Ragged School was founded in 1844, twenty-seven years before the state began providing education for all children. It was started by eight Christian men and women in a loft above a Deptford cowshed. The vision was to teach children to read and write, but it very often included feeding them too. The Deptford Ragged School was exclusively run for 'ragged children', the name given because they 'dressed in rags' with bare feet in all weathers. By 1886 the school had gained the support of the Earl of Shaftesbury, and by 1914 it had received the Royal Patronage of Princess Louise.

***There is no institution in England more worthy of support than the Deptford Ragged School  
Earl of Shaftesbury 1886***

The Deptford Ragged Trust is committed to continuing its 176 year old mission to provide a place of worship and support those in need in Deptford.

### **The aims of the charity are:**

1. To advance Christian faith and mission in and around Deptford in the London Borough of Lewisham, and also elsewhere in London, the UK and the rest of the world at the discretion of the trustees.
2. To relieve poverty, hardship, distress, homelessness and sickness in Deptford and the surrounding area, and also elsewhere at the discretion of the trustees.
3. To further or benefit the residents of Deptford and the surrounding area by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, and to organise community activities and provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving conditions of life for the residents.
4. To fulfil other charitable purposes for the benefit of the people of Deptford and the surrounding area, and also across London and elsewhere at the discretion of the trustees.

**The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.**

# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Principle Activities

The overall main activity of the CIO consists of operating the bear Church.  
See [www.thebear.tv](http://www.thebear.tv) for more.

### Review of the Year

**Sunday morning** we began the year in lockdown due to Covid-19, therefore services were all online via Zoom. On 31 January 21 we had a significant Zoom service focusing on the NHS involving members of the congregation. We had a Remembering the Deptford Ragged School Sunday 28 February 21. We continued to have lively and diverse family services, including worship, teaching, activities and special groups for teaching children and adults. The trustees would like to thank all the team who organised and managed to run this smoothly.

**The Sunday evening service** was closed most of the year, due to Covid-19 lockdown, but we were able to serve takeaway food from the door to evening service clients. We were given £2,200 by the London Community Fund and £2,700 by the Rushey Time Bank to add to the Bear's £8,204 (donations mainly from congregation members); this was committed to buying fruit and vegetables for two local social supermarkets, Evelyn and Pepys, that exist to support people in food poverty in the local community. Members of the core team of this service also work closely with Bench Outreach (a local charity with which we have strong links). Phil the High Street grocer sold us fruit and vegetables at wholesale value and also lent his van for distribution. Once again, the trustees would like to thank all those who gave financially and volunteered to help distribute food, with special mention to Richard Bell who facilitated this project. We also allowed a local group to use our facilities for giving out food to the homeless.

**Bear Cubs** Despite having to close the doors due to COVID in March 2020, Bear Cubs have worked hard at providing family services in a different way for the first time in over twenty years. We have had to adapt and change what we do multiple times. Now we are armed with our own set of 'tiers' - different levels of work we can do depending on what level of restrictions we are living with. This ranges from play and song sessions on zoom, outdoor sessions in parks (from March 21), activity pack collection, indoor sessions with limited numbers and outdoor sessions with unlimited numbers. We have also adapted the Positive Parenting course and delivered two courses over the year on zoom. Bear Cubs income was subsidised by the church due to on-the-door donations being less.

**ESOL English Classes** We have continued our English classes on a Friday afternoon. Attendance has generally been between 5 and 15 people from different countries, including Iraq, Afghanistan, Iran, Syria, Columbia, Dominican Republic, and more, all of whom are settling into the local area. There is usually a mix of ages and abilities, and people are welcome to bring their children. We are grateful to the volunteers who help every week, and especially grateful to The Deptford Challenge Trust who granted us £7,000 this year to help run the classes.

**Deptford Ragged School Archive.** A committed group of volunteers has documented and catalogued the archive material – dating from 1844. The collection is documented on [www.ehive.com](http://www.ehive.com) under Deptford Ragged School Archive. The work of archiving and education was restricted this year due to Coronavirus, but DRSA lead, Katharine Alston, was able to initiate the Book Project a learning resources project, providing resources and reading books to children of low-income families in Lewisham. The project raised over £2,437. Katharine, the Bear Cubs team, and a group of volunteers sourced, assembled, and distributed stationery/book packs to 18 schools for 1,997 children during lockdown. We are grateful to Wiggy Productions Ltd and The Merry Trust for supporting this project. The DRSA is working with Historic England to produce learning resources for the schools learning pages on Historic England's website, to be published in 2022. These resources will enable children to learn 'outside the classroom' about the History of Deptford, meeting National Curriculum aims for Key Stage 2.

DRSA Website: <https://www.deptfordraggedschoolarchive.org.uk> \_  
Social media Twitter- @DeptfordRaggedS - Instagram - @deptford\_ragged\_school\_archive.

**Other activities** Due to Covid-19 we were severely restricted in the other activities that we were able to do. We did doorstep pastoral visits at Easter and Christmas. We organised an Advent Windows trail across multiple South London wards and boroughs where our congregation live. There was a special Zoom pantomime at Christmas organised by Richard Hughes, Holly Jones and Ezra Odigie. Members of the congregations contributed to the cooking of hot meals for distribution from Bench Outreach. As a fellowship we were deeply impacted by the death of George Floyd and the Black Lives Matter movement that followed. We dedicated services to raise awareness and think about our individual and corporate response to racism.

# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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**Fundraising for the Purchase of the Shaftesbury Christian Centre Building/Building Redevelopment** We were granted planning permission in December 2020 for the redevelopment of our building to provide 33 homes for socially affordable rent and new community facilities. It was a massive undertaking in partnership with J49 (Registered Provider of Social Housing) and Jubilee Resource Ltd and Bench Outreach. We anticipate that the project will cost around £10 m in total. As part of this we employed a fundraiser from January 21 to help us with the aim of raising funds for over £1m as the Deptford Ragged Trust's financial commitment to the project. (The TDRT is contributing the land and up to £1M to the Ragged Project). J49 are looking to raise £1.7M from Lewisham, £2.8m from the GLA, £290,000 from the government's renewable heating incentive and a loan of £2.9m from Troidas bank. We anticipate 21-22 to finalize cost, formalising partnerships and beginning development. We are extremely grateful to the board of J49 and our other partners for the unceasing work.

### Financial review

We are looking to continue raising funds to support the redevelopment of the Shaftesbury Christian Centre site and in order to provide comfort over our financial statements to our potential investors, we have elected to carry out an audit for the year ended 31 March 2021. We have appointed statutory auditors Cansdales Audit LLP for this purpose.

Our total income for the year ended 31st March 2021 was £244,839 (2020: £976,445) and our expenditure was £243,677 (2020: £209,516). The reason for the decrease in income has been largely due to the funds raised for the purchase of The Shaftesbury Christian Centre Building of £779,507 in prior year.

During the year, our total unrestricted income amounted to £170,555 (2020: £152,244) and our unrestricted expenditure was £171,425 (2020: £161,765), giving an unrestricted deficit of £870 for the year (2020: deficit of £9,527). The carried forward balance of unrestricted funds at the end of the year was £20,731 (2020: £21,601).

Total restricted income for the year was £74,284 (2020: £824,201) and restricted revenue expenditure was £72,252 (2020: £47,751), giving a surplus for the year of £2,032 (2020: £776,450). The balance of restricted funds carried forward at the end of the year was £825,978 (2020: £823,946). Of this amount, £768,157 (2020: £771,560) relates specifically to the Shaftesbury Christian Centre Building, £38,544 (2020: £4,350) to the Bear Cubs fund and £3,414 (2020: £510) to the ESOL English Classes fund, £4,872 (2020: £NIL) to the DSRA Projects and £10,991 (2020: £NIL) to the Social Projects fund.

The general operation costs of the church are funded by unrestricted gifts and donations from the regular congregants. Restricted funds are for various projects and capital appeals. The church aims to give 10% of unrestricted funds to aid work and mission overseas. The leadership of the church also set aside £1,500 per year for a 'hardship fund' to help relieve people in immediate need. This is assessed and distributed by the 'finance team' that meets once a month to review budget vs actual costs.

Net assets stand at £846,709 as at 31st March 2021, of which, restricted funds of £744,203 (2020: £759,469) are represented by tangible fixed assets and restricted funds of £81,775 (2020: £64,477) are represented by net current assets. The remaining amount of £20,731 (2020: £21,601) are represented by unrestricted funds. Tangible fixed assets of the Trust relate to the purchase of The Shaftesbury Christian Centre Building

**Unrestricted Funds:** The Trustees have established a policy to hold unrestricted reserves to cover 3 months of essential unrestricted operating costs, (staff wages and utility/insurance contracts that might require a fee to cancel), which are estimated for 2021-22 at a total of £27,000.\* As at 31 March 2021, the level of unrestricted reserves available for essential costs, was £45,000. Due to the generosity of our family, friends and Church Community, we expect to meet the target for unrestricted funding for 21-22.

\*22 K is to cover staff wages (not covered by restricted funding) + 5 K to cover contracts e.g. insurance, utilities that would require cancelling if the charity was to close.

**Restricted Funds:** There is great concern over the significant shortfall in the building project and impact of Covid19 in the coming year. As described in the plans for future periods above, we have addressed this with the employment of a fundraiser. It is still impossible to tell how the coronavirus will impact our income over the next year. However, the trustees are reviewing the finances on a monthly basis to manage the funding of the project.

# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### Risk Policy

The Trustees review the risks of the Charity under five headings:

1. Regulatory (e.g., Safeguarding of Children & Vulnerable Adults, Health & Safety, Data Protection and Employment Law)
2. Financial (e.g., fraud, loss of data or expertise and viability)
3. Operational (e.g., food hygiene and maintenance)
4. Organisational (e.g., management of resources and processes); and
5. Insurable (e.g., property and accident)

In terms of both likelihood and impact, the key risks are Regulatory and Financial, and relevant policies are reviewed annually, with a person or management group designated to give detailed oversight of each. Financial controls are specified to give accountability with diversity and confidentiality, contingency plans are in place to ensure continuity of finance management and financial reports are made for every 'finance meeting' and forwarded to The Bear Leadership Team and The Trustees for comment and approval. The Budget is agreed by the end of January each year, in time for the financial year to begin on 1st April. Safe procedures are established for day to day activities, and risk assessments carried out for non-standard, one-off programmes such as weekends away or community events. The Charity Commission's Big Board Talk checklist provides a helpful set of 15 questions for the trustees to consider, reflect and respond to, with the aim of reducing risks as much as possible.

### Risk Assessment

The trustees have carried out a risk assessment in relation to the charity's activities and have concluded that the main risks for 2021/22 will be:

1. The continued impact of the Covid-19 pandemic. Most of our funding comes from gifts and donations, based on a percentage of people's incomes. With economic uncertainty possibly continuing, we will need to have 3 months essential operating costs in reserve and act quickly if income starts to drop.
2. Building Project - 80% of the building purchase was granted on proviso that the project (including social homes) goes ahead. With planning permission granted in Dec 2020 it is important that we progress with the work. The main risk is that we have identified the need to raise a further 1.5 million as the Deptford Ragged Trust's contribution to the project.
3. J49 became a registered provider in Dec 21. It is now important for The Deptford Ragged Trust to complete a development agreement with J49 that is realistic and manageable for both parties.

### Plans for future periods

Over the coming year we plan to continue running the Bear church services and related activities, offering community activities for children and parents/carers, teaching English as a second language, running community events, supporting the local homeless and contributing to overseas mission work – in compliance with coronavirus restrictions. It is still hard to tell what impact the restrictions will have on our ability to run these activities either in person or online and to what capacity. However, we have managed to be flexible and adapt to the circumstance and expect to continue with this. During the year we have been both broadcasting the services and meeting in person, and plan to continue in 21/22. During the year donations did not decrease. Bear Cubs will continue to run all their preschool/carer sessions and parenting courses adapting to whatever Covid-19 rules are in place. Our Bear Cubs benefactor will continue to support the project financially at the current rate during lockdown. We also plan to progress the redevelopment of our building. The redevelopment costs are now likely to be in the region of £10m. To date, along with Jubilee Resource Ltd, we have secured approx. £8.1m of the £10m required for the project from the GLA, Lewisham council and a loan from Troidos bank. We continue to look at a scale of what is deliverable and how we might engineer some of the shortfall out.

We will continue to employ our 1 full-time and 9 part-time members of staff for the coming year. Notably the church leader, Paul Adlington, was ordained by the church of England in February 2021 and is on placement for one day a week and one Sunday a month at the Good Shephard Church in Lee. He will continue to be paid full-time in acknowledgement of hours he still does for the Bear Church; this arrangement will continue until January 2023.

We hope to continue providing opportunities for the many volunteers who serve the work of the trust in Deptford. For all activities we have an excess of 200 volunteers and are always open for more.

### Structure, governance and management

The Deptford Ragged Trust/The Bear Church is a Charitable Incorporated Organisation (CIO) (Charity no 1177319). The current situation with trustees is as follows.

# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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Charlie Parker	(For (3) years from Feb 2020)
Hugh Stickland (Chair)	(For (3) years from Feb 2021)
Daniel Alston	(For (3) years from Feb 2019)
Dr. Rachel Thomas	(For (3) years from Feb 2021)
Darryl Veldtman	(For (4) years from Feb 2018)
Sheree Urquhart	(For (3) years from Nov 2020)

In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. Any person retiring as a charity trustee is eligible for reappointment. The governing document/constitution is provided to all trustees and made available to others on request.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

Each year, after reviewing the budget, The Trustees delegate the running of the trust to two teams.

1. The Bear Leadership Team. Led by the church leader (de facto CEO), and including one member of the trustees, to oversee the day-to-day running of all aspects of the church, including the finances, activities, building, employment and safeguarding.
2. The Building redevelopment team. Including the church leader, a quorum of trustees and any others considered suitable for the role, to oversee the redevelopment of the Shaftesbury Christian Centre.

The Bear leadership team delegates powers to the finance team, the buildings team, the services teams, and each of the teams that run activities. Notably: Bear Cubs, English Fridays, DRSA, and Global (overseas missions team) Bear live.

**The board of trustees is thankful** for the commitment and hard work of staff and many volunteers who often go beyond the call of duty to serve others in this community.

The board recognises the invaluable financial support from members of the church and other donors who have contributed generously to this work and the funding received from The Deptford Challenge Trust.

**Staff employed** during the year have been as follows: Paul Adlington, Iain Jones, Emily Adlington, Tracy Jones, Tessa Chapman, Celia Papadopoulos, Kelly Hunt, Sally Bell, Maureen Biddiscombe, Fiona Quinn & Rebecca Keer. Staff are employed under the TDRT Pay and Pensions Policy. All staff are employed at or above the London Living Wage.

**Public Benefit:** The trustees have complied with the duty imposed by Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in December 2008.



# THE DEPTFORD RAGGED TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### **Statement of responsibilities**

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The report was approved by the Board of Trustees.

.....  
Mr. Hugh Stickland

Date: 28<sup>th</sup> January, 2022

# THE DEPTFORD RAGGED TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

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#### **Opinion**

We have audited the financial statements of The Deptford Ragged Trust (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE DEPTFORD RAGGED TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

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### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on trustees' report, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# THE DEPTFORD RAGGED TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

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### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Foscett (Senior Statutory Auditor)  
for and on behalf of Cansdales Audit LLP  
Chartered Accountants  
Statutory Auditor

28<sup>th</sup> January, 2022

Bourbon Court  
Nightingales Corner  
Little Chalfont  
Bucks  
HP7 9QS

# THE DEPTFORD RAGGED TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Incoming Resources from Generating Funds					
Voluntary Income - Donations & Grants	2	150,255	68,721	218,976	935,590
Incoming Resources from Charitable Activities	3	20,300	5,563	25,863	40,855
Total income		170,555	74,284	244,839	976,445
<u>Expenditure on:</u>					
Charitable activities	4	171,425	72,252	243,677	209,516
Net (expenditure)/income for the year/ Net movement in funds		(870)	2,032	1,162	766,929
Fund balances at 1 April 2020		21,601	823,946	845,547	78,618
Fund balances at 31 March 2021		20,731	825,978	846,709	845,547

The statement of financial activities includes all gains and losses recognized in the year.

All income and expenditure derive from continuing activities.

# THE DEPTFORD RAGGED TRUST

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7		744,203		759,469
Current assets					
Debtors	8	5,269		8,322	
Cash at bank and in hand		103,835		114,269	
		<u>109,104</u>		<u>122,591</u>	
Creditors: amounts falling due within one year	9	(6,598)		(36,513)	
Net current assets			102,506		86,078
Total assets less current liabilities			<u>846,709</u>		<u>845,547</u>
Income funds					
Restricted funds	10	825,978		823,946	
Unrestricted funds		20,731		21,601	
		<u>846,709</u>		<u>845,547</u>	

The financial statements were approved by the Trustees on 28<sup>th</sup> January, 2022.

.....  
Mr. Hugh Stickland  
Trustee

# THE DEPTFORD RAGGED TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	15		(10,434)		799,551
Investing activities					
Purchase of tangible fixed assets		-		(763,285)	
Net cash used in investing activities			-		(763,285)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(10,434)		36,266
Cash and cash equivalents at beginning of year			114,269		78,003
Cash and cash equivalents at end of year			103,835		114,269

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 01 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognized when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognized on receipt. Other donations are recognized once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognized at the time of the donation.

Rental income is credited to income in the period in which they are receivable.

#### 1.5 Expenditure

Resources used are included on an accruals basis inclusive of VAT, which is not recoverable.

Grants and Donations for missionary and charitable giving are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.



# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Gifts in kind of fixed assets are capitalized at their estimated market value and depreciated in accordance with the policy for that particular class of asset.

Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years of Useful Life
-----------------------------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognized in the statement of financial activities.

### 1.7 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

### 1.8 Employee benefits

The church operates an auto- enrolment pension scheme. Contributions paid are charged against income in the period in which they become payable.

### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 1.10 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in expenditure.

## 2 Incoming Resources from Generating Funds Voluntary Income - Donations & Grants

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Gift aided one off and standing orders and donations	106,333	14,220	120,553	158,032
Non Gift aided one off and standing order donations	15,971	54,331	70,302	736,967
Income tax recoverable on SO & gift aid	27,951	170	28,121	40,591
For the year ended 31 March 2021	150,255	68,721	218,976	935,590
For the year ended 31 March 2020	120,083	815,507		935,590

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 3 Incoming Resources from Charitable Activities

	Unrestricted Fund 2021 £	Restricted Fund 2021 £	Total 2021 £	Total 2020 £
Bear Cubs- Subscriptions & Others	-	5,563	5,563	8,669
Contributions towards Expenditure	3,297	-	3,297	6,379
Rental Income and Car Park Contribution	8,530	-	8,530	12,065
Hall Hire, Film Locations and other	2,536	-	2,536	2,887
Special Event Weekend Away	1,067	-	1,067	5,572
Special Event - Deptford Ragged Trust Archives	3,000	-	3,000	3,514
Special event - Others	1,870	-	1,870	1,769
For the year ended 31 March 2021	20,300	5,563	25,863	40,855
For the year ended 31 March 2020	32,161	8,694		40,855

### 4 Charitable activities

	Unrestricted Fund 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Staff costs (Note 6)	84,849	33,639	118,488	115,547
Depreciation and impairment (Note 7)	-	15,266	15,266	3,816
Special Event Costs	13,840	8,694	22,534	11,945
Repairs and Renewals	2,318	--	2,318	3,443
Insurance & Subscriptions	3,322	--	3,322	4,933
Auditors Remuneration *	3,708	--	3,708	3,600
Office Costs	11,957	3,507	15,464	4,713
Rent & Rates	24,153	--	24,153	25,803
Telephone & Utilities	6,578	--	6,578	6,977
Travel & Entertainment	2,105	--	2,105	4,495
Bank Charges	73	--	73	88
General Expenses	2,324	10,132	12,456	6,950
Gifts & Donations (Note 5)	15,183	1,014	16,197	17,080
Professional Fees	1,015	--	1,015	126
For the year ended 31 March 2021	171,425	72,252	243,677	209,516
For the year ended 31 March 2020	161,765	47,751		209,516

\*Auditors remuneration includes a fee of £2,472 (2020 £2,400) for the audit of the accounts and £1,236 (2020: £1,200) in relation to services for preparation of the year end accounts.

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Gifts & Donations

	2021	2020
	£	£
Mission Gifts	12,450	12,850
Other Ministries	3,547	3,480
Visiting Speakers	200	750
	<u>16,197</u>	<u>17,080</u>

### 6 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Average number in the year	8	8
Full Time Equivalent	3	3
Total	<u>11</u>	<u>11</u>

	2021	2020
	£	£
Employment costs		
Wages and salaries	106,840	104,585
Social security costs	1,220	2,267
Other pension costs	10,428	8,696
	<u>118,488</u>	<u>115,548</u>

During the year, the charity employed an average of 8 employees (2020: 8) which equated to 3 full time equivalent employed staff (2020: 3). Much of its activities are carried out by volunteers.

Neither the trustees nor any persons connected with them have received any remuneration.

The Church paid salaries and pensions of £72,564 (2020: £70,345 ) to 4 key management personnel. These are included in the above.

There were no employees whose annual remuneration was more than £60,000.

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Tangible fixed assets

#### Freehold land and buildings

£

#### Cost

At 1 April 2020

763,285

At 31 March 2021

763,285

#### Depreciation and impairment

At 1 April 2020

3,816

Depreciation charged in the year

15,266

At 31 March 2021

19,082

#### Carrying amount

At 31 March 2021

744,203

At 31 March 2020

759,469

All the assets are used for activities in furtherance of the group's objectives.

### 8 Debtors

2021

2020

Amounts falling due within one year:

£

£

Gift Aid Receivable

2,008

8,322

Other debtors

2,230

-

Prepayments and accrued income

1,031

-

5,269

8,322

### 9 Creditors: amounts falling due within one year

2021

2020

£

£

Payroll Liability

2,333

1,356

Other creditors

270

270

Accruals and deferred income

3,995

34,887

6,598

36,513

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 10 Movement in Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020	Movement in funds		Balance at 31 March 2021
	£	Income	Expenditure	£
		£	£	
<b>Restricted Funds</b>				
Bear Cubs Fund	35,790	39,062	(36,308)	38,544
Building Project Fund	787,647	8,672	(28,162)	768,157
English Friday	509	7,000	(4,095)	3,414
DRSA Projects	-	5,250	(378)	4,872
Social Projects	-	14,299	(3,308)	10,991
	823,946	74,283	(72,251)	825,978
<b>General Funds</b>	21,061	170,555	(171,425)	20,731
<b>Total Funds</b>	845,547	244,839	(243,677)	846,709

### Movement in Funds – Prior Year

	Balance at 1 April 2019	Income	Expenditure	Balance at 31 March 2020
	£	£	£	£
<b>Restricted Funds</b>				
Bear Cubs Fund	31,439	39,669	(35,318)	35,790
Building Project Fund	16,057	779,507	(7,917)	787,647
English Friday	-	5,025	(4,516)	509
	47,496	824,201	(47,751)	823,96
<b>General Funds</b>	31,122	152,244	(161,765)	21,601
<b>Total Funds</b>	78,618	976,445	(209,516)	845,547

**Bear Cubs Fund:** Funds supporting a toddlers group which is designed to be a stimulating play space for children.

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

**Building Project Fund:** Set up to collect funds to support the purchase of freehold property known as “The Shaftsbury Christian Centre” and to development the land and buildings to provide for flexible church, community, exhibition, archive, café and office space, and the upper floors for residential accommodation at 'London Affordable Rent'. In the year ended 31 March 2020, a grant was received of £604,600 towards the purchase of The Shaftsbury Christian Centre. There are conditions attached to the grant and if these conditions are not met within five years of the grant being made, the grant will become fully repayable. We are confident that the conditions will be met and therefore a low probability of repayment however the conditions will be reviewed each financial year. The full grant received has therefore been recognized in income in the current year.

**English Fridays:** Funds to support a conversational English class for speakers of another language, to which anybody is welcome.

**DRSA Projects** - is the Deptford Ragged School Archive as detailed on pg. 2

**Social Projects** - was introduced to account for the donations towards our evening service team who were providing fruit & veg to social supermarkets through lockdown

### 10 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible assets	-	744,203	744,203	759,469
Current assets/(liabilities)	20,731	81,775	102,506	86,078
	<u>20,731</u>	<u>825,978</u>	<u>846,709</u>	<u>845,547</u>

### 11 Operating lease commitments

At 31 March 2021, the trust had commitments under non-cancellable operating leases of:

	2021	2020
	£	£
Within one year	20,400	20,400
Between two and five years	-	20,400
	<u>20,400</u>	<u>40,800</u>

### 12 Operating lease commitments

Lease commitments relate to the rent that the Church is committed to pay in relation to the Church Leader's Housing allowance.

# THE DEPTFORD RAGGED TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Events during the Year End

The Coronavirus (COVID-19) continues to have significant impact on organisations worldwide. As a result, some operations have been restricted, but the Church continues to operate using alternative methods and remote working.

The Trustees are unable to evaluate the overall financial impact on the Church at present and the financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Trustees continue to monitor, assess and act to the current changing environment in order to ensure future success.

### 14 Related party transactions

Expenses are on occasion reimbursed to the Trustees and key management personnel in the instance that such expenses are incurred wholly on the Church's behalf. Reimbursement of expenses to Trustees and Key Management Personnel amounted to £2,230 (2020: £4,520).

The Trustees, key management personnel and their families also contribute to the Church's income through donations. These are unrestricted in nature and are considered confidential by the Church. The cumulative contributions by trustees, key management personnel, their family and other related parties to the Church's general fund in the year amounted to £33,449 (2020: £45,578).

The Church also pays a housing allowance in respect of the housing of the Church Leader as he is required to be living within the pastoral catchment area of the Bear Church. The amounts are payable monthly and are set out within the Pastoral Pay Policy, which are agreed by the Trustees. The Church has paid rent of £1,700 per month (£20,400 per annum) (2020: £20,400) for Church Leader's accommodation (see Note 11 above). However, the Church Leader contributes £750 per month (£9,000 per annum) to the Church in respect of the rent.

15	Cash generated from operations	2021 £	2020 £
	Surplus for the year	1,162	766,929
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	15,266	3,816
	Movements in working capital:		
	Decrease/(increase) in debtors	3,053	(5,474)
	(Decrease)/increase in creditors	(29,915)	34,280
	Cash (absorbed by)/generated from operations	(10,434)	799,551

# THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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